



**SUSTAINABLE REAL
ESTATE SECURITIES
ESG PROFILES (2020)**



LA FRANÇAISE
INVESTING TOGETHER

1. Gecina SA

Property portfolio worth €20.1bn (+7% YOY) consisting of office buildings (83% NAV), residential buildings and student housing (17%), 97% of which is located in the Île-de-France region, plus a further €3.7bn development pipeline.

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| E | SBTi-approved emissions reduction target – 40% across operating portfolio by 2020 and 60% by 2030, v 2008 levels (achieved 35.7% by end 2019, 5% YOY progress) Reports to CDP, and discloses scope 1, 2 and 3 emissions |
| | Internal carbon fund set up in 2018 to accelerate decarbonisation and simulate transition. Each operating department contributes based on the emissions of the building it operates. Increase in internal carbon price from €10/tCO ₂ to €50. |
| S | High female representation – 63% of workforce is female and 50% of managers. Financial sum of total gender pay gap put into dedicated fund to finance remedial action to promote gender diversity |
| | Enhanced focus on customer service and occupant well-being – ambition to extend full-service commitment to better serve occupants, delivered under YouFirst brand and services. 80% rate of recommendations from outgoing clients for YouFirst Campus; 70% for YouFirst Residence. |
| G | Majority independent board, new chairman elected in 2020 with a specialist expertise in governance, CSR and public affairs |
| | Clear strategic prioritisation of sustainability reflected in capital allocation: 1/3 of two-year capex dedicated to improving CSR performance of assets – of which 16% designated for energy efficiency improvements – and five outstanding responsible credit contracts worth €910m (20% of bank debt). |

2. alstria office REIT-AG

Commercial property portfolio worth €4.4bn, of which 82% is office buildings, 8% storage, 3% retail and 7% other (nursing homes, logistics and hotels), located across Germany. As of end 2018, there was a further €0.49bn in development.

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| E | Achieved 2020 RE100 commitment of 100% renewable electricity across property portfolio (of areas within group control) ahead of schedule, and have made a further commitment to 50% renewable energy procurement for tenant areas by 2040 (reached 21% by end 2018) |
| | 10-year transparent sustainability reporting – 42% reduction in carbon footprint (scope 1, 2 & 3 emissions) 2013-2018, new science-based target set in July 2020 of -30% 2018-2030 across scope 1 and 3. |
| S | Low employee turnover relative to industry (4.7%); annual employee opinion survey introduced in 2018, 86% participation rate and 89% satisfaction |
| | Flexible working in place for many years, part-time options and reduced/flexible hours for employees with dependant family members, option for employees to work off-site including at co-working businesses |
| G | Supervisory board and all board committees are majority independent – fully independent audit committee |
| | Supplier code of conduct updated in 2019 |

3. Prologis, Inc.

Logistics real estate portfolio worth \$136bn, across 19 countries.

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| E | Large-scale solar panel installation efforts – exceeded 2020 goal of 200 MW of installed solar capacity, set new target in 2019 of 400 MW of additional installed capacity by 2025, ranked third among US corporate solar installers by the Solar Energy Industries Association. |
| | First real estate company in the S&P 100 to achieve operational carbon neutrality (scope 1 & 2, using offsets), further SBTs in place for scope 1, 2 and 3 emissions reduction. |
| S | Support benefits, 0% interest loans and care packages for employees negatively impacted by COVID-19 pandemic |
| | Prologis Netherlands facility was first logistics project in the world to receive WELL-Gold certification from International WELL Building Institute (IWBI), based on standards for accommodating health and well-being of workers and tenants. |
| G | Ranked 6 th in Corporate Knight's Global 100 Most Sustainable Corporations in the World 2019 |
| | Independent board oversight of sustainability issues |

4. Dexus

\$16.5bn portfolio of directly owned office and industrial properties across Australia, and a further \$15.5bn of office, retail, industrial and healthcare properties managed for third party clients, as well as a \$10.6bn development pipeline

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| E | Scenario analysis carried out since 2011 to assess exposure to physical climate-related risk, in line with TCFD recommendations since 2017, transition risk introduced in 2020 |
| | Collaboration with City of Sydney to development waste management guidelines to reduce waste sent to landfill, now built into Dexus Demolition and Refurbishment Brief for contractors |
| S | Focus on internal mobility, exceeded target of filling 20% of open roles with internal candidate, with rate of 31% in 2019-20 |
| | Upgraded health and safety management system used in workplace and across portfolio in 2019, achieved 100% safety audit score across Dexus workspaces |
| G | Established new board-level ESG committee in 2020 to retain oversight of implementation and management of sustainability practices across the group, employee training track launched in 2020 to enhance understanding of sustainability approach |
| | Robust management of supply chain risks, in particular measures to eliminate modern slavery: top 100 suppliers covered by Property Council of Australia's modern slavery due diligence tool, updated contractual documentation with suppliers, 100% employee training, supplier ESG risk rating tool in development |

5. Kilroy Realty Corporation

Office and mixed-use real estate assets on the West Coast of the US: 114.3m sq ft of primarily office and life science space (112 units) that was 92.3% occupied and 96% leased, one residential property of 200 units, and eight in-process development projects with an estimated total investment of \$2bn, totaling approximately 2.3m sq feet of office and life science space, and 339 residential units.

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| E | All development projects must meet LEED Gold or Platinum Certification. 64% of portfolio was certified as of December 2019, introduced use of 'Embodied Carbon in Construction Calculator (EC3)' tool in development projects in 2019 |
| | Industry leaders in green leasing – i.e. environmental considerations built into tenancy contracts – external recognition for market transformation. 100% of new leases contain ESG language, tenant engagement to increase use of solar, batteries, offsite PPA and efficiency projects across portfolio |
| S | 100% of employees received annual performance review in 2019 |
| | Wide range of employee benefits available to support talent attraction and retention |
| G | ESG-focussed KPI integrated into executive remuneration policy from 2019, based on factors including sustainability disclosure level, environmental certifications, and human capital development |
| | Sustainability wording incorporated into Vendor Code of Conduct and standard contracts |



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